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Research News for the U.S. Travel Industry

TRAVEL PRINTOUT

US Travel Data Center

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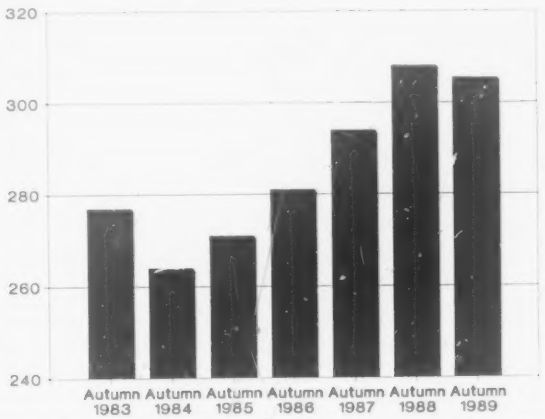
Autumn Travel Stabilizes

Total autumn travel volume in 1989 stabilized from the previous year. The months of September, October, and November recorded 305 million person-trips, according to the Data Center's **Autumn 1989 Travel Market Close-Up and Executive Briefing.** (A person-trip measures each person traveling 100 miles or more away from home.)

The flatness experienced by the 1989 autumn travel season followed five years of growth. In fact, since 1983, the increases in travel volume reflect a 10.3 percent jump. Even more significant was the massive expansion in the number of business person-trips. From 1983, the period recorded a 47 percent increase.

Total U.S. Resident Travel
Person-Trips (millions)



Despite the flat travel season, business travel was resilient again in 1989 as it grew more than 5 percent, accumulating 66 million person-trips. Another winner for the autumn was vacation travel, reporting close to a 7 percent gain over 1988. In fact, the number of person-trips bounced up to 216 million from 202 million in the previous year. Weekend travel also amassed a large number of person-trips as it increased 5.7 percent.

The Great Lakes region posted the largest increase in travel volume. From the fall of 1988, the area reported over a 7 percent hike in the number of person-trips to the region. Suffering losses, the West and Midwest regions' aggregate travel volumes declined 6 percent and 1 percent, respectively.

Compared to last year, economic conditions were weaker which may help explain travel's flatness in the fall. Specifically, payroll employment grew only three percent and disposable income was up just four percent as compared to autumn 1988. Personal outlays also showed a small increase over 1988.

Another possible factor for the stabilization in travel was the acceleration in travel prices. According to the Data Center's Travel Price Index, the overall cost of travel for the season rose almost 7 percent from the previous autumn. The TPI, which measures seasonally unadjusted changes in the cost of travel in the U.S., grew to 126.1 (1982 - 84 = 100) during these three months.

For sake of comparison, the Consumer Price Index (CPI), which measures the price of all goods and services purchased by Americans, rose 4.5 percent to 125.5 in autumn 1989.

For more information about the report and travel research services, call Elizabeth Stewart at (202) 293-1040. The autumn report, which is one in a set of four, costs $135 and all four seasons in 1989 costs $499. The 1989 full-year report will be released in June at the cost of $265. To order, send check or money order to: US Travel Data Center, Two Lafayette Centre, 1133 21st St NW, Washington, DC 20036. Members receive copies of all these reports in the mail.

INSIDE: Reader's Survey Results...3.

Motor Fuel Leads Travel Price Increases in January

After declining for two consecutive months, the overall cost of travel in the U.S. rose in January as travel prices rose 2.5 percent. Higher motor fuel prices and lodging rates generated the jump, reports the Data Center's latest Travel Price Index (TPI).

The TPI, which measures seasonally unadjusted changes in the cost of travel in the U.S., grew to 129 (1982 - 84 = 100) during January.

For comparison, the price of all goods and services purchased by Americans as measured by the Consumer Price Index (CPI) increased 1 percent to 127.4.

Travel Price Index and Components

January 1990	Monthly % Change December 1989 to January 1990	Annual % Change January 1989 to January 1990
TPI Component		
Transportation	4.3	10.8
Airline Fares	1.3	5.6
Other Intercity Trans.	0.4	1.5
Intracity Public Trans.	3.9	6.2
Motor Fuel	6.5	14.8
Lodging	5.5	8.7
Food and Beverages		
Away From Home	0.4	4.5
Entertainment	0.6	7.9
TRAVEL PRICE INDEX	2.5	7.0
CONSUMER PRICE INDEX	1.0	5.2

Source: US Travel Data Center and the U.S. Bureau of Labor Statistics

Leading the increase in travel costs for the month, motor fuel prices advanced 6.5 percent followed by a 5.5 percent leap in lodging prices. Overall, transportation costs expanded for the month, posting a 4.3 percent change. Intracity public transportation also became more costly, but by a lesser amount of 3.9 percent. In fact, no measures reported declines for the month.

Over the past 12 month period, the TPI climbed 7.0 percent, influenced by a 14.8 percent jump in motor fuel costs and a 7.9 percent hike in entertainment prices. Intercity transportation costs, not including airfares, grew the least with only a 1.5 percent climb. The CPI rose 5.2 percent for the same period.♠♠

December Travel Sprints Ahead

The number of total person-trips in December 1989 sped past last December's total as the month recorded 109 million person-trips or 5 percent more than during the same time last year, according to the Data Center's latest National Travel Survey (NTS) results. (A person-trip measures each person traveling 100 miles or more away from home.)

The jump came from significant increases recorded in several segments including vacation, pleasure, and business travel. The period posted 78 million vacation person-trips, more than an 11 percent rise. In addition, pleasure travel grew 10 percent, registering 85 million person-trips. Meanwhile, business travel accounted for 18 million person-trips.

Besides these large gains, weekend and auto travel also showed growth. Weekend travel rose by 5 percent to 43 million person-trips. Posting a similar percent change, travel by auto increased to more than 80 million person-trips in December 1989.

The survey revealed that air travel grew only nominally with 23 million person-trips taken by this mode. Use of hotels shot up, but the average number of nights travelers spent in hotels decreased from the previous year.

The average distance traveled in December 1989 rose 10 percent from December 1988 to 962 miles. Furthermore, down from 5 nights in 1988, the average stay decreased to 4.6 nights in 1989.♠♠

TEIM Update

The Data Center will complete the forecasting component of the Travel Economic Impact Model (TEIM) by the end of next month, according to Dr. William Fleming, economic research manager for the Data Center.

The forecasting model enables the Data

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(continued from 2)
Center to make short-term and long-term predictions about travel volume and expenditures. The model has the capability to make projections about the economic impact of travel for the whole country, states, metropolitan areas, and even larger cities.

Undergoing expansion and improvement, the Data Center's Travel Economic Impact Model (TEIM) is a statistical model that provides annual estimates of travel-generated spending and its impact on national, state, and local economies. Following revision, the model will be a more effective and flexible tool for assessing the impact travel has on the economy.

For more information about the Travel Economic Impact Model and its capabilities, contact Dr. William Fleming, manager of economic research, at (202) 293-1040.♦♦

Travel Printout Gets Positive Feedback

In a recent reader survey (January 1990), the Data Center received both positive marks for its overall value and constructive advice for making it even better.

With a good response rate from all segments of readership, respondents judged the overall value of **Travel Printout** to be very good. Specifically, subscribers found the Travel Price Index, Current Travel Indicators, National Travel Survey, and articles from industry experts to be very useful. Also, readers' valued commentary from Data Center executive director, Dr. Suzanne Cook.

Suggestions for the **Travel Printout** included: more articles on future trends and economic indicators, other industry data, and an even greater use of graphs.♦♦

News from the Data Center

The Data Center had many new additions to its staff in March. The positions filled included: computer analyst, research assistant, and media relations assistant.

Starting in the computer analyst position, An Xiao joined the Data Center. She has a background in both computer programming and operations as well as data analysis. Most recently, she worked for AAA as a market associate.

Anne Clark also began this month as a research assistant in the survey department. Anne is a student at George Mason University majoring in Economics and will complete her degree in August. Previously, she worked as an operations analyst for the Planning Research Corporation.

Finally, Scott Dring started as media relations assistant following Shawn Flaherty's promotion to information services manager/editor at the Travel Industry Association of America. Prior to this position, Scott was the editor for the Immigration Reform Law Institute's newsletter. He is the new editor of Travel Printout. Scott has a degree from Ohio State University in public relations and journalism.♦♦

Visitor volume at national parks

Region	DEC 1989 visits	% Change from DEC 1988*	Year to Date % Change 1988/89*
NEW ENGLAND	253,395	-11.3%	5.0%
MIDDLE ATLANTIC	1,130,320	-5.0	4.6
SOUTH ATLANTIC	2,737,564	-28.5	-14.6
EAST SOUTH CENT.	1,275,067	-4.0	-3.1
EAST NORTH CENT.	150,235	-13.2	-1.8
WEST NORTH CENT.	166,487	-18.5	3.1
WEST SOUTH CENT.	339,678	-5.8	1.8
MOUNTAIN	1,275,069	13.8	3.5
PACIFIC	2,330,641	-1.7	-1.7
TOTAL	9,658,456	-11.1	-4.0

* Percent change figures may not be consistent with those previously reported due to National Park Service revisions.

States compromising the census regions:
New England: Connecticut, Maine, Massachusetts, New Hampshire, Rhode Island, Vermont. **Middle Atlantic:** New Jersey, New York, Pennsylvania. South Atlantic: Delaware, District of Columbia, Florida, Georgia, Maryland, North Carolina, South Carolina, Virginia, West Virginia. **East South Central:** Alabama, Kentucky, Mississippi, Tennessee. **East North Central:** Illinois, Indiana, Michigan, Ohio, Wisconsin. **West North Central:** Iowa, Kansas, Minnesota, Missouri, Nebraska, North Dakota, South Dakota. **West South Central:** Arkansas, Louisiana, Oklahoma, Texas. **Mountain:** Arizona, Colorado, Idaho, Montana, Nevada, New Mexico, Utah, Wyoming. **Pacific:** Alaska, California, Hawaii, Oregon, Washington.

Current Travel Indicators - 1989

	Month	Value	Units	Percent Change Last Month	Year Ago	Year To Date
Establishment Receipts or Retail Sales						
Hotels, Motels, Other Lodging Places(1)	Dec	$ 3,645	million	-20.5	10.9	8.8
Eating and Drinking Places(2)	Dec	$13,717	million	-1.4	0.2	4.9
Gasoline Service Stations(2)	Dec	$ 9,538	million	4.7	12.8	7.5
Commercial Lodging Demand						
Hotel/Motel Occupancy Rates(3)	Dec	64.9	percent	-0.6	3.8	2.2
Real Demand for Commercial Lodging(4)	Dec	47.4	million	-17.6	7.2	5.0
Airline Passenger Traffic (5)						
Domestic Revenue Passenger-Miles	Dec	25.9	billion	1.7	3.7	0.0
Int'l Revenue Passenger-Miles	Dec	8.0	billion	10.7	13.6	9.3
Highway Traffic Volume (6)						
Rural Arterial Passenger-Miles	Dec	39.7	billion	-4.5	1.0	4.1
Rail Passenger Traffic (7)						
Amtrak Passenger-Miles	Dec	490.6	million	5.9	0.9	4.0
Travel Price Index (1982 - 84 = 100) (8)	Dec	125.8		-0.2	5.4	5.3
U.S. Resident Travel						
Total Person-trips(9)	Dec	108.5	million	13.3	4.9	2.2
Vacation Person-trips(9)	Dec	78.1	million	18.2	11.3	5.7
Total Person-nights(10)	Dec	464.1	million	28.6	n/a	n/a
Vacation Person-nights(10)	Dec	389.9	million	36.3	n/a	n/a
Public Use of National Parks (11)						
Visits	Dec	9,658,456		-31.4	-11.1	-4.0
Overnight Stays	Dec	393,221		-40.9	16.0	3.2
Foreign Arrivals to the U.S.						
From Overseas(12)	Nov	963,431		-15.5	12.7	11.0
From Canada(13)	Dec	899,224		-13.2	11.6	11.8
From Mexico(12)	Nov	86,988		-5.5	13.0	17.9
U.S. Citizen Departures						
To Overseas(12)	Oct	N/A				
To Canada(13)	Dec	543,339		-1.3	-5.6	-5.1
Domestic Demand for Gasoline						
Barrels/Day(14)	Dec	7,300	thousands	-0.8	-0.6	-0.3

(1) Source: Smith Travel Research, seasonally unadjusted. (2) Preliminary; revised monthly. Source: Bureau of the Census. (3) Source: Smith Travel Research, seasonally adjusted; 1986 and 1987 data have been revised. (4) Smith Travel Research, unadjusted room nights sold. (5) Preliminary; U.S. scheduled service all carriers. Source: Air Transport Association. (6) Preliminary; revised monthly. Source: Federal Highway Administration. (7) Source: National Railroad Passenger Corporation (Amtrak). (8) Source: US Travel Data Center and Bureau of Labor Statistics. (9) Source: US Travel Data Center. (10) US Travel Data Center. Data is not comparable to earlier published numbers due to revised methodology. (11) Preliminary; unadjusted for differences in reporting units. Source: National Park Service. (12) Source: U.S. Travel and Tourism Administration. Mexican data reflect 9% arrivals only. (13) Statistics Canada. (14) Preliminary; Source: U.S. Department of Energy.

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